

DEPARTMENT OF WORKFORCE
DEVELOPMENT
Secretary Roberta Gassman
201 East Washington Avenue Rm A200
P.O. Box 7946
Madison, WI 53707-7946
Telephone: (608) 266-7552
FAX: (608) 266-1784
<http://www.dwd.state.wi.us>
e-mail: dwddws@dwd.state.wi.us



State of Wisconsin
Governor Jim Doyle

DEPARTMENT OF HEALTH AND
FAMILY SERVICES
Secretary Helene Nelson
1 West Wilson Street
P.O. Box 7850
Madison, WI 53707-7850
Telephone: (608) 266-9622

TO: **Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies**

FROM: Amy Mendel-Clemens
Bureau of Health Care Eligibility
Communications Section

BHCE/BWP OPERATIONS MEMO

No.: 03-04

Date: 01/24/2003

Non W-2 ☒ W-2 ☐ CC ☐

PRIORITY: High

SUBJECT: **Caretaker Supplement (CTS) Changes**

CROSS REFERENCE: Caretaker Supplement Automation Document

EFFECTIVE DATE: January 27, 2003

PURPOSE

Three important CARES and policy changes pertaining to Caretaker Supplement (CTS) are discussed in this Operations Memo.

POLICY

FAILURE TO SET REASON CODE 077

Policy: When a CTS case fails for lack of review, CARES incorrectly begins to count the income of excluded AG members (such as the SSI parent, whose income must be disregarded for CTS) as part of the process that results in setting failure reasons. CARES then closes the AG for CTS, but the failure reasons that it displays are financial reasons, when the proper reason code is 077- failure for lack of review. Since reason 077 is not displayed and does not appear on the notice, the client is not properly notified of the case closure.

Process: Effective January 27, 2003, CARES will properly display reason 077 on eligibility screens and on notices as the primary reason for failure when a CTS AG closes for lack of review. Manual notices that may have been produced by the worker due to this situation may be discontinued.

ELIMINATE CLOSURES FOR FAILURE OF THE BUDGET TEST

Policy: Based on a legal finding by the Department, the budget test (which is shown on screen ECGD and creates the failure reason code 013) must be eliminated. The budget test compares countable income in the AG to the *family allowance* for the group size. This is consistent with policy for the former AFDC program. However, the CTS statute at Wis. Stats., 49.775 states that the income of the group must be compared to the former AFDC *assistance standard*, which is higher. Therefore, the budget test is irrelevant. All other financial and non-financial eligibility requirements must be met, however.

Process: Changing CARES to eliminate all programming, screens and results of performing the budget test is a major undertaking that would affect the other programs of assistance and require months to accomplish. The immediate solution in CARES, effective January 27, 2003, will be to continue the budget test process in CARES, but to disable failure reason 013 if any AG does not pass the CTS budget test. Screen ECGD will continue to exist, but the results it displays will be irrelevant and ignored by CARES. CARES will allow AGs that pass the asset, gross and net budget tests to be financially eligible for CTS, even if screen ECGD shows their income as higher than the family allowance.

This change will result in more AGs receiving CTS in the future. This change is effective January 27, 2003. Do not *systematically* redetermine eligibility for CTS benefits prior to February 2003 for cases that failed CTS for reason 013 unless you were specifically directed to do so for a particular case by communications from DHFS *for December 2002 or January or February 2003 CTS benefits*.

1. CARES Budget and Confirmation Screens Prior to January 27, 2003

The following screen shows the result of the Net Income Test for CTS *prior to January 27, 2003* when the AG's countable income is less than the assistance standard for the group size. The AG passes the Net Income Test.

```

ECNT          CARETAKER SUPPLEMENT NET INCOME TEST  01/15/03 14:29
CASE: 6666665871 CAT: CTS SEQ: 01  WORKER: XMI545    PWRC28 K LUEDTKE
DETERMINATION DATE: 01 09 03    AG STATUS: DENIED  ELIGIBILITY STATUS: FAIL
PAYMENT BEGIN DATE: 02 01 03 PAYMENT END DATE: 02 28 03

      GROSS EARNED INCOME:          .00
      WORK RELATED EXPENSES: -      .00
      STUDENT DISREGARD: -          .00
      EARNED INCOME DISREGARD: -     .00
      DEPENDENT CARE DEDUCTION: -    00
      NET EARNED INCOME: =          .00
      UNEARNED INCOME: +      519.00
      CHILD SUPPORT DISREGARD: -     .00
      CHILD SUPT/MAINTENANCE: -     .00
      DEPENDENT ALLOCATION: -        .00
      EXCESS SELF EMPLOYMENT EXP: -  .00
      COUNTABLE NET INCOME: =      519.00

                                ELIGIBLE MEMBERS:    3
                                COUNTED MEMBERS: +    0
                                AG SIZE: =    3
                                PREGNANT WOMEN IN AG:    0
                                ASSISTANCE STANDARD:    647.00

TYPE OF EARNED INCOME DISREGARD:

AG HAS PASSED THE CARETAKER SUPPLEMENT NET INCOME TEST

```

The following screen shows the result of the Budget Test for CTS *prior to January 27, 2003* when the AG's countable income is greater than the family allowance for the group size. The AG fails the Budget Test.

➤ **Note:** On this screen, prior to January 27, 2003, no Total CTS Grant Amount is displayed.

```

ECGD      CARETAKER SUPPLEMENT GRANT DETERMINATION 01/15/03 14:17
CASE: 6666655871 CAT: CTS SEQ: 01 WORKER: XMI545 PWRC28 K LUEDTKE
DETERMINATION DATE: 01 09 03 AG STATUS: DENIED ELIGIBILITY STATUS: FAIL
PAYMENT BEGIN DATE: 02 01 03 PAYMENT END DATE: 02 28 03

      GROSS EARNED INCOME:      .00
      STUDENT DISREGARD: -      .00
      WORK RELATED EXPENSES: -   .00
      EARNED INCOME DISREGARD: - .00
      DEPENDENT CARE DEDUCTION: - .00
      NET EARNED INCOME: =      .00
      UNEARNED INCOME: + 519.00
      CHILD SUPPORT DISREGARD: - .00
      CHILD SUPT/MAINTENANCE: - .00
      DEPENDENT ALLOCATION: -     .00
      EXCESS SELF EMPLOYMENT EXP: - .00
      COUNTABLE NET INCOME: = 519.00

      ELIGIBLE MEMBERS: 3
      COUNTED MEMBERS: + 0
      AG SIZE: = 3
      PREGNANT WOMEN IN AG: 0
      FAMILY ALLOWANCE: 517.60
      COUNTABLE NET INCOME: 519.00

      TOTAL CTS GRANT AMT: .00

TYPE OF EARNED INCOME DISREGARD:
THE AG HAS FAILED THE CARETAKER SUPPLEMENT GRANT DETERMINATION

```

The following displays the confirmation of the failure due to the results of the Budget Test *prior to January 27, 2003*.

```

AGEC      ELIGIBILITY RESULTS CONFIRMATION 01/15/03 14:30
CASE: 6666655871 WORKER: XMI545 PWRC28 K LUEDTKE
LAST UPDATED: 01 09 03 CASE STATUS: OPEN CASE MODE: ONGOING

ELIGIBILITY REVIEW DATE: 06 01 2003

      PMT BEG PMT END BENEFIT AG ELIG REASON MR CONFIRM
      CAT SEQ DATE DATE AMOUNT STATUS STATUS CODES RSN (Y/N)

ADCR 01 11 01 97 11 30 97 0.00 CL FAIL 028 251 — Y
ADCZ 01 04 01 98 04 30 98 0.00 DE FAIL 054 — Y
BC Z 01 02 01 03 02 28 03 0.00 DE FAIL 054 — Y
CC 01 11 01 02 11 30 02 0.00 CL FAIL 054 — Y
CC Z 01 02 01 03 02 28 03 0.00 DE FAIL 054 — Y
CTS 01 02 01 03 02 28 03 0.00 DE FAIL 013 — Y
FS 01 10 01 02 10 31 02 0.00 CL FAIL 054 — Y
FS Z 01 02 01 03 02 28 03 0.00 DE FAIL 054 — Y
MA R 01 02 01 03 02 28 03 0.00 DE FAIL 013 — Y
MA X 01 07 01 97 07 31 97 0.00 DE FAIL 028 — Y

```

➤ **Note:** Occasionally CARES displays informational reason codes along with failure reason codes. For example, informational reason code 066 – “income has increased” may be

displayed with failure reason code 013 prior to January 27, 2003. After January 27, 2003, informational reason code may be displayed alone for CTS determinations.

2. CARES Budget and Confirmation Screens Beginning January 27, 2003

The following screen shows the result of the Net Income Test for CTS beginning January 27, 2003 when the AG's countable income is less than the assistance standard. The AG passes the Net Income Test.

```

ECNT      CARETAKER SUPPLEMENT NET INCOME TEST  01/15/03 14:24
CASE: 7000066666 CAT: CTS SEQ: 01  WORKER: XCTC58      XCTC58 K LUEDTKE
DETERMINATION DATE: 01 08 03   AG STATUS: OPEN  ELIGIBILITY STATUS: PASS
PAYMENT BEGIN DATE: 02 01 03 PAYMENT END DATE:

      GROSS EARNED INCOME:      .00
      WORK RELATED EXPENSES: -   .00
      STUDENT DISREGARD: -      .00
      EARNED INCOME DISREGARD: - .00
      DEPENDENT CARE DEDUCTION: - .00
      NET EARNED INCOME: =      .00
      UNEARNED INCOME: + 553.28
      CHILD SUPPORT DISREGARD: - 50.00
      CHILD SUPT/MAINTENANCE: - .00
      DEPENDENT ALLOCATION: -    .00
      EXCESS SELF EMPLOYMENT EXP: - .00
      COUNTABLE NET INCOME: = 503.28

      ELIGIBLE MEMBERS: 2
      COUNTED MEMBERS: + 0
      AG SIZE: = 2
      PREGNANT WOMEN IN AG: 0
      ASSISTANCE STANDARD: 550.00

TYPE OF EARNED INCOME DISREGARD:

AG HAS PASSED THE CARETAKER SUPPLEMENT NET INCOME TEST

```

The following screen shows the result of the Budget Test for CTS beginning January 27, 2003 when the AG's countable income is less than the assistance standard, but greater than the family allowance for the group size. The AG passes the Budget Test.

- **Note:** Beginning January 27, 2003 this screen will display a Total CTS Grant Amount and display a PASS for CTS even though the countable income for the AG is in excess of the Family Allowance, as long as the AG passed the Net Income Test.

```

ECGD      CARETAKER SUPPLEMENT GRANT DETERMINATION 01/15/03 14:23
CASE: 7000666666 CAT: CTS SEQ: 01  WORKER: XCTC58      XCTC58 K LUEDTKE
DETERMINATION DATE: 01 08 03   AG STATUS: OPEN  ELIGIBILITY STATUS: PASS
PAYMENT BEGIN DATE: 02 01 03 PAYMENT END DATE:

      GROSS EARNED INCOME:      .00
      STUDENT DISREGARD: -      .00
      WORK RELATED EXPENSES: -   .00
      EARNED INCOME DISREGARD: - .00
      DEPENDENT CARE DEDUCTION: - .00
      NET EARNED INCOME: =      .00
      UNEARNED INCOME: + 553.28
      CHILD SUPPORT DISREGARD: - 50.00
      CHILD SUPT/MAINTENANCE: - .00
      DEPENDENT ALLOCATION: -    .00
      EXCESS SELF EMPLOYMENT EXP: - .00

      ELIGIBLE MEMBERS: 2
      COUNTED MEMBERS: + 0
      AG SIZE: = 2
      PREGNANT WOMEN IN AG: 0
      FAMILY ALLOWANCE: 440.00
      COUNTABLE NET INCOME: 503.28

      TOTAL CTS GRANT AMT: 400.00

```

COUNTABLE NET INCOME: = 503.28

TYPE OF EARNED INCOME DISREGARD:
THE AG HAS PASSED THE CARETAKER SUPPLEMENT GRANT DETERMINATION

The following screen displays the confirmation of the pass that was the result of the Net Income Test (from screen ECNT) and Total CTS Grant Amount (from screen ECGD) *beginning January 27, 2003.*

AGEC ELIGIBILITY RESULTS CONFIRMATION 01/15/03 14:32
CASE: 7000666666 WORKER: XCTC58 XCTC58 K LUEDTKE
LAST UPDATED: 01 08 03 CASE STATUS: OPEN CASE MODE: ONGOING

ELIGIBILITY REVIEW DATE: 06 01 2003

AGC	PMT BEG	PMT END	BENEFIT	AG	ELIG	REASON	MR	CONFIRM
CAT	SEQ	DATE	DATE	AMOUNT	STATUS	STATUS	CODES	RSN (Y/N)
ADCR	01 12 01 96	12 31 96	0.00	DE	FAIL	016 112 077	EA	Y
ADCZ	01 03 01 98	03 31 98	0.00	DE	FAIL	054	—	Y
BC	01 02 01 03		0.00	OP	PASS		—	Y
CC	01 05 01 98	05 31 98	0.00	DE	FAIL	142	—	Y
CC Z	01 02 01 03	02 28 03	0.00	DE	FAIL	054	—	Y
CTS	01 02 01 03		400.00	OP	PASS		—	Y
CTSX	01 12 01 02	12 31 02	0.00	DE	FAIL	438	—	Y
FS	01 10 01 02	10 31 02	449.00	DE	FAIL	112	—	Y

- **Note:** Changes to CARES to eliminate the Budget Test apply to CTS only. Workers will continue to see failure reason 013 displayed for Medicaid determinations.

"MINOR PARENT QUALIFIED LIVING ARRANGEMENT" IRRELEVANT FOR CTS

Policy: Minor parents who receive SSI and who care for their children are eligible for CTS even if they do not live in a "minor parent qualified living arrangement". When CARES determines eligibility for CTS only the code entered in the "Living Type" field on screen ANLA is considered for living arrangement, not the code entered for "Minor Arrangement".

ANLA INDIVIDUAL LIVING ARRANGEMENT 01/16/03 08:57
CASE: 1109666666 WORKER: XVE029 PWRC28 K LUEDTKE
LAST UPDATED: 07 14 00 CASE STATUS: OPEN CASE MODE: ONGOING

NUM	FIRST	MI	LAST	SUF	EFF. MMY	LIVING TYPE	VR	ARRANGEMENT DATE	MINOR ARR	PAR EXM	LIV VR
01	ANNA		M SMITH		0794	01	CC	06 01 94	—	—	—
04	ANGELINA		C SMITH		0794	01	CC	06 01 94	—	—	—
05	JACOB		D SMITH		0794	01	CC	06 01 94	—	—	—
06	ANNA		M SMITH		0894	01	CC	08 11 94	—	—	—

-----INDIVIDUALS-----

01 ANNA T (PP) 04 ANGEL R (DAU) 05 JACOB R (SON) 06 ANNA R (DAU)

The Minor Arrangement field is irrelevant and is disregarded when CARES determines eligibility for CTS.

The Living Type field is important and must be coded 01, 09, 10, 16, or 19 when CARES determines eligibility for CTS

CTS training materials (Caretaker Supplement Automation Document, pages 10, 24, 41 and 42) are incorrect regarding living arrangement policy for minor parents who apply for CTS. However, CARES is correctly programmed to deal with minor parent determinations for CTS. Some workers may have changed other information in CARES in order to achieve a result that is consistent with the policy that has now been determined to be in error.

Process: Disregard policy regarding minor parents stated on pages 10, 24, 41 and 42 of the Caretaker Supplement Automation Document. Redetermine CTS eligibility in any case where the worker implemented a “work around” in order to be consistent with the erroneous policy. Apply the correct policy retroactively.

CONTACTS

BHCE CARES Information & Problem Resolution Center

Email: carpolcc@dwd.state.wi.us
Telephone: (608) 261-6317 (Option #1)
Fax: (608) 266-8358

Note: Email contacts are preferred. Thank you.